FINDINGS: Indonesia's transition to democracy since 1998 has contributed to an overall improvement in conditions for human rights in the country. The majority of Indonesia's diverse religious communities operate openly and with few restrictions, and there are vibrant public discussions among politicians, religious leaders, and civil society about the role of religion in political life. The government of President Susilo Bambang Yudhoyono has taken positive steps to address terrorism and past sectarian violence in the regions of Ambon and Central Sulawesi, to bring peace to the region of Aceh, and to build popular support for democracy. However, during his presidency, religious minorities have experienced harassment, intimidation, discrimination, and even violence perpetuated by groups espousing intolerance and extremism under the banner of Islamic orthodoxy. The activities of some extremist groups are sometimes tolerated by segments of the Indonesian government. In addition, despite legal protections for religious freedom, national decrees and provincial laws have been used to restrict rather than advance the freedom of religion and belief.

Based on these concerns, USCIRF continues to place Indonesia on its Watch List for 2010. Indonesia has been on the Commission's Watch List since 2002, after sectarian violence erupted in Central Sulawesi and the Makukus.

Indonesia has a tradition of religious tolerance and pluralism. Nevertheless, religious radicalism and extremism have found converts in Indonesia, leading to sectarian violence, terrorism, and religious freedom violations. Indonesians have rejected extremism at the polls, but it often goes unchallenged by many political, civic, and religious leaders. In the past year, extremist groups have forcibly closed places of worship belonging to religious minorities, sometimes with the acquiescence of local or provincial officials. A 2008 joint ministerial decree curtailing the activities of the Ahmadiyya community remains in place, as do provincial bans that go further than the decree's stated intent. Provincial officials have also employed Article 156(a) of the Indonesian penal code to harass and detain individuals considered religiously "deviant" and continue to enforce local *perda syariah* laws restricting the rights of women and some non-Muslims. In addition, USCIRF remains concerned about the situation in Papua, where long-standing political and economic grievances and human rights abuses have deepened sectarian tensions.

PRIORITY RECOMMENDATIONS: The interests of the United States are advanced by a democratic and prosperous Indonesia committed to countering terrorism and promoting religious freedom, religious tolerance and interfaith cooperation. As part of the formal bilateral partnership being pursued by the Obama Administration, USCIRF recommends that the Administration support any government offices, religious groups, and civil society organizations in Indonesia working to promote religious freedom, counter extremism, teach tolerance and human rights, pursue legal reform, and build interfaith alliances to deal with pressing social, political, and economic concerns. A vibrant U.S.-Indonesian partnership can be an important model, ensuring Indonesian stability, addressing regional human rights issues and the threat of terrorism, and expanding universal rights and freedoms in the "Muslim world." Additional recommendations for U.S. policy towards Indonesia can be found in the 2010 Annual Report chapter on Indonesia and by following this link: http://ww w.uscirf.gov/images/ar2010/indonesia2010.pdf